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Annual Report of the



**FEDERAL
SECURITY
AGENCY**

1949

**Office of
Vocational Rehabilitation**

HD 7123.43 1949

The Annual Report of the Federal Security Agency contains the Administrator's report and the reports of all the Agency's constituent organizations. In addition, the following reports are issued as separate reprints:

THE ADMINISTRATOR'S SUMMARY
SOCIAL SECURITY ADMINISTRATION
PUBLIC HEALTH SERVICE
OFFICE OF EDUCATION
FOOD AND DRUG ADMINISTRATION
OFFICE OF VOCATIONAL REHABILITATION
BUREAU OF EMPLOYEES' COMPENSATION
SAINT ELIZABETHS HOSPITAL

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Letter of Transmittal

FEDERAL SECURITY AGENCY,
OFFICE OF VOCATIONAL REHABILITATION,
Washington, D. C., October 31, 1949.

The Honorable OSCAR R. EWING,
Federal Security Administrator.
(Through the Commissioner for Special Services.)

DEAR MR. EWING: I submit herewith the annual report of the Office
of Vocational Rehabilitation for the fiscal year ended June 30, 1949.

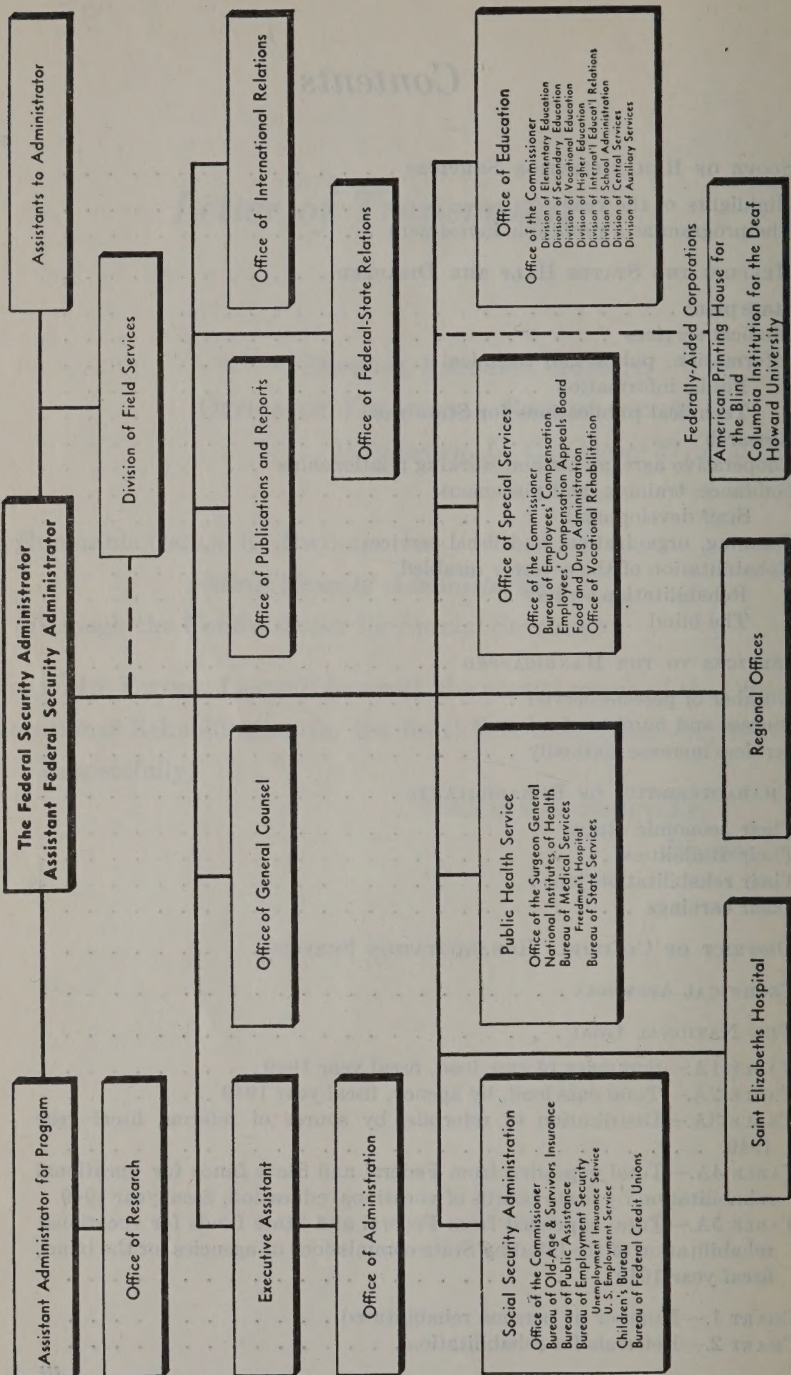
Respectfully,

MICHAEL J. SHORTLEY,
Director.

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FEDERAL SECURITY AGENCY



Federal Security Agency

The Federal Security Agency was established on July 1, 1939, by Reorganization Plan No. 1 of 1939. The objective of the Plan, the President said, was to group together those agencies of the Government whose major purpose was to promote social and economic security, educational opportunity, and the health of the citizens of the Nation. Among the agencies so grouped by that Plan and by Reorganization Plan No. 2 of 1939 were the Social Security Board (including the United States Employment Service), the Office of Education, the Public Health Service, and the Federal functions of the American Printing House for the Blind.

Reorganization Plan No. 4 of 1940, effective June 30, transferred to the Agency the Food and Drug Administration, Saint Elizabeth Hospital, Freedmen's Hospital, and the Federal functions relating to Howard University and to the Columbia Institution for the Deaf.

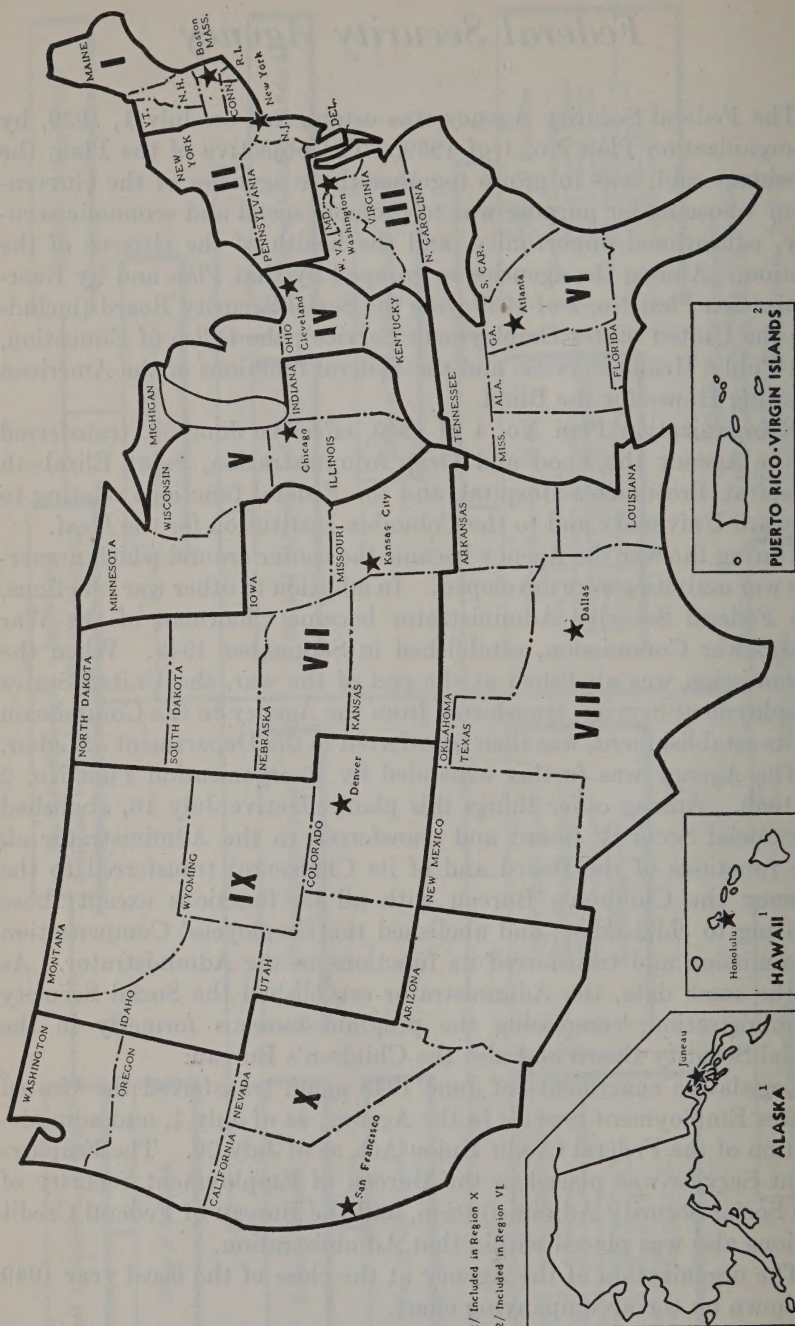
During the war the Agency became the center around which numerous war activities were developed. In addition to other war functions, the Federal Security Administrator became Chairman of the War Manpower Commission, established in September 1942. When the Commission was abolished at the end of the war, the United States Employment Service, transferred from the Agency to the Commission on its establishment, was then transferred to the Department of Labor.

The Agency was further expanded by Reorganization Plan No. 2 of 1946. Among other things this plan, effective July 16, abolished the Social Security Board and transferred to the Administrator all the functions of the Board and of its Chairman; transferred to the Agency the Children's Bureau with all its functions except those relating to child labor; and abolished the Employees' Compensation Commission and transferred its functions to the Administrator. As of the same date, the Administrator established the Social Security Administration, comprising the program bureaus formerly in the Social Security Board and also the Children's Bureau.

Legislative enactments of June 1948 again transferred the United States Employment Service to the Agency, as of July 1, and administration of the Federal Credit Union Act, as of July 29. The Employment Service was placed in the Bureau of Employment Security of the Social Security Administration, and the Bureau of Federal Credit Unions also was placed within that Administration.

The organization of the Agency at the close of the fiscal year 1949 is shown on the accompanying chart.

REGIONAL OFFICES OF THE FEDERAL SECURITY AGENCY



Office of Vocational Rehabilitation

THE STATE-FEDERAL PROGRAM of vocational rehabilitation for civilians continued its uninterrupted progress in rehabilitating disabled men and women from idleness and dependency into useful and self-sustaining employment. The following pages, covering the fiscal year ended June 30, 1949, report the activities and accomplishments of the State-Federal program and the part played in those operations by the Office of Vocational Rehabilitation—the Federal unit which provides leadership and technical assistance, and administers Federal grants to the State-operated, nation-wide system of vocational rehabilitation for civilians.

During the early years of operations under very limiting legislation an average of 4,300 disabled men and women were rehabilitated annually under the program; from 1935 to 1943, 16,000; and from 1944 through the past year, more than 46,000. Last year the rehabilitations rose to 58,020. The opportunity to make such latter-day strides—an opportunity of which the States and the Federal Government have taken full advantage—came in 1943 with the enactment of amendments to the Vocational Rehabilitation Act of 1920. Congressional action in providing these strengthening and liberalizing amendments has been fully justified. Under them nearly one-third more rehabilitations were effected in about one-fourth the time—a clear indication of the program's potentialities under more favorable legislation.

Scope of Rehabilitation Services

All men and women of or near working age with substantial job handicaps in the form of physical or mental impairments are eligible for vocational rehabilitation services. Unemployment is not a prerequisite; a disabled person (at or near working age) may be eligible under the program if he is in employment which, because of his disability, endangers his health or safety or the health or safety of others, or if his employment is unsuitable in other ways, or if he is in danger of losing his job through disability. Before any rehabilitation services can be provided, however, it must be determined that the disabled man or woman has a reasonable chance of being suitably employed.

The State-Federal system of vocational rehabilitation operates in all the States, the District of Columbia, Hawaii, and Puerto Rico. Territorial funds were lacking to carry out Alaska's approved plan of operation during the past year. The Federal Government thus has 87 separate partnership arrangements, all on the same pattern, including 35 with agencies whose rehabilitation activities are directed exclusively to the blind. Where there is no special State rehabilitation agency for the blind, the general agency serves the blind as well as persons with other types of disability.

Vocational rehabilitation is an integrated professional program combining all necessary services and patterned to each disabled person's needs, to prepare him fully for and then secure his placement in a job which utilizes his best skills and his full physical and mental capacities.

The major services contributing to the disabled person's adjustment are counseling and guidance; medical, surgical, psychiatric, and hospital services; artificial appliances; schooling and other training; and placement on the right job, with adjustment services to assure that the rehabilitated person makes good. Other services are medical examination, maintenance and transportation, and the provision of necessary occupational tools, equipment, and licenses.

This program does not duplicate for veterans the services which they may obtain through the Veterans Administration.

There is specific provision existing for war-disabled civilians—merchant seamen, members of the aircraft warning service, the civil air patrol, and the citizens defense corps who were injured in line of duty.

Highlights of the Year

Through the program of vocational rehabilitation, disabled men and women are transformed from helplessness to competence; from

dependency to self-sufficiency; from hopelessness to active participating and contributing membership in our economy and society. In furtherance of these objectives the following all-time records were established during the period covered by this report:

(1) 69,277 disabled men and women were prepared for and placed in employment through the State rehabilitation agencies and the State commissions or other State agencies for the blind. Of these, 58,020 were performing their jobs to their own satisfaction and that of their employers, and their cases were thus closed as rehabilitated. The other 11,257 had also been placed but were being observed for determination of complete adjustment on the job before they too were counted as rehabilitated.

(2) Another 10,983 disabled men and women were ready for employment, having received all necessary services except placement on the job. At the end of the fiscal year a total of 133,714 disabled persons were receiving services.

(3) More than 7,000 men and women with serious visual defects—3,166 of whom were blind—were rehabilitated.

(4) The 1949 rehabilitants earned at the annual rate of \$17 million before rehabilitation (in unsafe or unsuitable jobs), and \$93 million during the first year after rehabilitation—a \$76 million increase in the annual earned income of the Nation. If the 1948 rate of Federal income taxes is maintained, the 1949 rehabilitants will pay back more into the Federal treasury in Federal income taxes alone in 5 years than the Government expended for their total rehabilitation. During their work-life they will repay \$10 for every Federal dollar spent in their rehabilitation. This takes into no account State and local taxes.

(5) The cost of maintaining the program per rehabilitant in 1949 was \$445. This amount, paid only once, is in contrast to an estimated \$540 paid each year to aid a dependent blind person and about \$875 a year more for his wife and children if they receive financial aid for dependent children.¹

(6) The past year brought the total of completed rehabilitations for 6 years to 277,059 disabled persons compared with 210,125 for the preceding 23 years of program operations. This means a yearly average of 46,176 rehabilitations since 1943 as against 9,136 for the preceding period. The 277,059 disabled persons during the last 6 years increased their earnings, through rehabilitation, by more than \$1 billion.

(7) Eleven new adjustment training programs for the blind were established, bringing the total to 31.

¹ A dependent blind person is used as illustration here because the only available data on financial aid to disabled dependent persons relate to the blind.

(8) Because of the great need for professional vocational rehabilitation workers, several institutions were encouraged to develop curricula specifically on vocational rehabilitation. In addition, undergraduate and graduate curricula were being adapted under Federal stimulation to meet the need for specially trained workers in other professions utilized in vocational rehabilitation.

(9) There were marked increases in the volume and quality of every major category of rehabilitation service provided, particularly in medical and psychological examinations and in medical, surgical and psychiatric treatment.

(10) Increasing attention was given to persons with mental or emotional defects. During the past year 3,800 mentally disabled men and women were rehabilitated—nearly double the number rehabilitated in 1946.

(11) The State vocational rehabilitation agencies and State agencies for the blind had a total case load of 372,344 persons during the 12-month period, a 7 percent increase over the 348,427 during the preceding fiscal year.

(12) Increased cooperation was effected between State and Federal health agencies and State vocational rehabilitation agencies, particularly with respect to the rehabilitation of persons with epilepsy, tuberculosis, heart disease, and mental disease.

(13) Continued cooperation with States in staff training brought to nearly 2,000 the number of State rehabilitation workers receiving training in 77 federally sponsored institutes.

(14) A marked increase in interest in and use of rehabilitation centers and facilities has brought a greatly increased range of services to a growing number of clients, particularly those with severe disabilities.

(15) Close cooperation with national organizations working with and for the disabled was considerably increased, reducing duplication of effort in this field and bringing to clients under the program maximum benefits from the joint efforts of all groups.

(16) In furtherance of its cooperative efforts with organized labor to reach greater numbers of disabled persons, OVR and the States worked with the Welfare and Retirement Fund of the United Mine Workers in the rehabilitation of disabled miners. In one State alone, 460 disabled miners were rehabilitated. Some 300 paraplegic miners were being rehabilitated at the close of the year.

(17) The increased knowledge and utilization of program services resulted partly from an intensified program of public information on the availability and effectiveness of vocational rehabilitation. Assistance to the States on public relations matters mounted in proportion to the increased volume of materials produced by OVR.

The Program as a Profitable Investment

No machine can compute the social gains of a program which gives stability to the families of the disabled when support by the normal breadwinner is made possible; brings self-respect and happiness for each rehabilitant through his ability to make his own way; salvages wasted productive energy and skills for the community, State, and Nation; improves the health of the disabled; and overcomes the drain and destruction of dependency. But the economic value of the program—to the Nation and its citizens—can be measured.

The Federal income tax alone from persons rehabilitated during the 5-year period 1944-48, amounted to an estimated \$70.6 million. If the Federal income tax rate for the next 5 years remains the same as for 1948, Federal income taxes paid by the 1949 rehabilitants should amount to \$22 million for this 5-year period. Since the Federal expenditures for operating the program were \$18.2 million in 1949, these men and women will pay back more in Federal income taxes in 5 years than the Government expended for their rehabilitation. During their average work-life their Federal income taxes will return an estimated \$10 to the Government for every \$1 it spends.

The cost per rehabilitant of maintaining the program in 1949 was \$445. This is a small cost and is paid only once. The alternative is dependency on family and public and private agencies. As stated earlier, an estimated \$500 to \$1,400 is paid each year from public funds alone to aid a dependent person and his family.

A large proportion of the 1949 rehabilitants were unemployed when they applied for services. The others, because of their disabilities, were in danger of losing their jobs, or were in unsafe, part-time, or otherwise unsuitable employment. They were earning at the rate of \$17 million annually. The first year after completion of services they earned at the rate of \$93 million and paid more than \$5.5 million in Federal income taxes for 1949 alone.

These earnings are community, as well as national, purchasing power. The rehabilitants are tax payers, not tax consumers. They are no longer hazards or burdens to themselves, their families, or the Nation, but full-time, capable members of the community team and the national team.²

Helping the States Help the Disabled

The actual extension of rehabilitation services to disabled persons is the function of the 87 State rehabilitation agencies. OVR's respon-

² Processes used to derive above estimates are given in Technical Appendix.

sibilities are leadership and technical assistance, State plan approval, and certification of grants-in-aid.

Under the Director, OVR carries out its responsibility to the disabled and to the State agencies through two functional divisions: the Division of Rehabilitation Standards, comprising three branches—Guidance, Training and Placement; Physical Restoration; and Services for the Blind; and the Division of Administrative Standards, made up of two branches—State Administrative Planning and Survey, and Fiscal and Statistical Analysis.

An Information Service assists the States in creating public understanding of the program, and a regional representative of OVR in each of the 10 regional offices of the Agency maintains close working relationships with the State agencies.

The program is financed by State funds and Federal grants-in-aid to the States. The grant-in-aid provisions allow payments to each State which has an approved plan for vocational rehabilitation. The amount to each State must (1) be sufficient for proper and efficient administration of the plan, including necessary administrative costs to provide the guidance and placement services; (2) provide one-half the costs of any services necessary to rehabilitate a disabled person into suitable employment; and (3) provide the full cost of services to disabled persons certified by OVR as war-disabled civilians.

Rehabilitation services of which the Federal Government, through reimbursement to the States, pays half the cost are medical, psychiatric, and psychological examinations, surgical and therapeutic treatment, hospitalization up to 90 days, prosthetic appliances, training, transportation, maintenance, and occupational tools and licenses.

Available at no cost to the disabled are medical and psychiatric examinations to determine eligibility for services, and vocational guidance, training, and placement. In addition, medical treatment, transportation, maintenance, occupational tools and equipment, and training supplies are provided without cost where the client's inability to pay has been established.

The approved State Plan, which describes the scope of the State program, is the basic condition to the certification of Federal funds.

State Plans

Each State vocational rehabilitation agency must submit an approvable State Plan to OVR before Federal funds can be made available. The Plan is required to describe the State's program and furnish a realistic description of State methods and practices. Amendments are made to the Plan, as necessary, to reflect current practices.

The approved State Plan is, in effect, an agreement between the State and the Federal Government that the provisions for vocational rehabilitation laid out in the Plan will be carried out, and as such is the basic document on which State-Federal relationships are founded.

During the past year OVR approved or made recommendations on amendments to every one of the 87 State Plans.

Medical Services

OVR assists State agencies through the development of standards, policies, and techniques relating to the provision of medical services, and the development and maintenance of working relationships with the medical profession and with governmental and nongovernmental medical organizations. Much of the work with these organizations is done for the purpose of acquiring from their medical and related research and experience the techniques applicable to the vocational rehabilitation program, particularly as they apply to conditions generally classed as severely disabling.

During the past year there was increased emphasis on developing these working relationships. Increased cooperation between State and Federal health agencies and State vocational rehabilitation agencies was effected, especially in the fields of tuberculosis, heart disease, epilepsy, and mental illness. The several programs of the Public Health Service, which include the National Heart Institute, the Division of Mental Hygiene, and the Division of Tuberculosis Control, were explored and necessary action taken to bring about proper and profitable integration of the activities of State health departments with those of State vocational rehabilitation agencies.

Other Government agencies having medical programs which the OVR has studied are the Veterans Administration, the Children's Bureau of the Social Security Administration, the Medical Department of the Navy, and the Medical Department of the Army. The program of the Veterans Administration in training orthopedic and amputee specialists who work as teams has given State vocational rehabilitation agencies information on much-needed services. It is expected that during the coming fiscal year, services of the same high quality as provided by the Veterans Administration will be made available to civilian amputees. During the past year several of the Federal staff attended Veterans Administration schools devoted to work in behalf of amputees.

Also of particular interest has been the Army's development of certain improvements in artificial limbs and the application of these improvements, and others accomplished under the auspices of the

National Research Council, to the problem of fitting civilian amputees with limbs and of training in their use.

Among the nongovernmental organizations with which OVR maintains working relationships are the American Medical Association, particularly its Council on Industrial Health, the American Dental Association, the American Hospital Association, the National Committee for Mental Hygiene, the American Association of Medical Social Workers, the American Public Welfare Association, and the American Public Health Association. There are also working relationships with other organizations having interest in special disability groups. Increased work during the past year with committees of these professional organizations, and appearance on their programs, served to gain wider acceptance of, and support for, the objectives of vocational rehabilitation.

Consultative services to State agencies in developing and maintaining a high quality of physical restoration services included such specific problems as the development of a schedule of maximum fees for medical and surgical services, and such general problems as the establishment of criteria for providing services for the severely disabled.

The proportion of clients receiving physical restoration services as part of their rehabilitation plan has been increasing steadily for the United States as a whole. The number of clients receiving such services during the past fiscal year increased 17.2 percent over the previous year's figure. Since 1946 the number of persons receiving medical treatment, one of the more important physical restoration services, has more than tripled.

There is considerable variation among the State agencies in the proportion of clients who receive physical restoration services. Some of these variations may reflect the relative need of the disabled for medical attention, and this in turn may depend on the availability of medical care for the low income or needy groups. Other factors, such as variations in policies and size of the State appropriations, are also thought to be operative.

Increased psychiatric services were given persons with mental or emotional defects who can be prepared for remunerative employment. During the past year, 3,800 mentally disabled men and women were rehabilitated.

Information, Public and Technical

Contributing as it does to program gains, public and technical information on State-Federal vocational rehabilitation also reached a new record high in volume and effectiveness during the past year.

PUBLIC INFORMATION

OVR plans, organizes and conducts a Nation-wide service of information to bring adequate knowledge of the availability and effectiveness of vocational rehabilitation to the one and one-half million handicapped persons in need of vocational rehabilitation services who are scattered throughout the population at all vocational and social levels; to greater numbers of the general public, whose understanding and support are vitally necessary; and to the numerous special groups such as employers, physicians, and those in related professions. Included in the objectives of this service are the increased placement of rehabilitated persons in suitable jobs by the development of better public understanding of the abilities of the disabled, and reduction of emotional and psychological resistance to their employment.

In addition to providing public relations and public information advice to the 87 State agencies, OVR collects, produces and uses materials for all media, maintains relationships with all media, and stimulates effective and economic use of these materials.

In radio, 23 "spot announcements" on the program were produced and the cooperation of a like number of internationally known celebrities in the entertainment field was obtained to record the announcements. Transcribed and distributed to State agencies serving all disability groups, they were broadcast on approximately 800 stations with an audience estimated in excess of 50 million. A series of six dramatized transcriptions on the blind was produced and distributed for radio broadcast to State agencies serving the blind, and 21 scripts and spot announcements for "live" broadcast were supplied State agencies throughout the country.

Television was also utilized. A widely used technicolor film produced by OVR was shown on seven stations in California, Illinois, and Tennessee.

Thirty-eight articles devoted to the program appeared in newspapers, encyclopedias, reference books, and magazines. Newspapers have carried increasing numbers of stories based on our press releases, as well as extensive editorials on the program. One release alone brought 192 inquiries from individuals.

An information campaign to and for organized labor was developed and conducted to increase its cooperation with, and add to the public understanding of, the program.

Vocational rehabilitation for civilians was represented by an OVR exhibit at the annual convention of the American Medical Association. Designed particularly to increase the awareness of the medical profession of the contribution which physical medicine can make to the vocational rehabilitation of disabled persons, this exhibit was used at several meetings of State medical societies and lay groups, including

organized labor. OVR produces several major and minor exhibits each year to stimulate the interest and cooperation of special professional and lay groups, employers, and the public.

Thirty-five thousand car cards and window display cards were developed and plans made for nation-wide distribution. The car cards were placed in trollies and busses in 548 communities in 17 States, and equally wide distribution was devised for the window display cards.

A major publication illustrating the social and economic benefits of vocational rehabilitation was produced and will be distributed early next year, and three major publications on rehabilitation opportunities for special disability groups as well as for all the handicapped were revised and brought up to date. Material for a motion picture on vocational rehabilitation was developed.

In connection with organizations of national and local influence, such as the President's Committee on National Employ the Physically Handicapped Week, information, chiefly for press and radio, was prepared which stressed the value of rehabilitated persons as employees.

Assistance to the States in the public information field was given in proportion to the increased volume of informational materials produced and issued by OVR.

TECHNICAL PUBLICATIONS FOR STATE USE

Supplying technical materials to State rehabilitation workers is an important means of keeping the entire program abreast of developments in the practices and methods utilized in vocational rehabilitation and the related professions. The contribution of these materials to program advancement is apparent from a cursory review of the following titles of items which originated in OVR. (The technical publications of cooperating organizations are also made available to State agencies.)

Atlantic City Symposium on Rehabilitation of the Tuberculous
Cooperative Relationships between Public Residential Schools
for the Deaf and State Rehabilitation Agencies.

Self-Employment in the State-Federal Vocational Rehabilitation
Program.

Hearing Aids and Audiometers Accepted by the Council on
Physical Medicine of the American Medical Association.

Employment Opportunities for Machine Key Board (Linotype)
Operators.

Cooperative School and Rehabilitation Programs, Their Organi-
zation and Factors of Effectiveness.

Cooperation between Divisions of Vocational Rehabilitation and Tuberculosis Associations, Department of Health, Departments of Welfare.

Suggested Criteria for Determining Eligibility of the Mentally Retarded for Vocational Rehabilitation.

Characteristics of a Desirable Psychological Report to the Vocational Rehabilitation Counselor.

Adjustment and Pre-vocational Training for the Blind.

A Pilot Program of Personal Adjustment and Pre-vocational Training for Illiterate or Unschooled Deaf Persons of Employable Age.

Introduction of the "Occupational Outlook Handbook," and Other Occupational Materials in Rehabilitation Casework.

Rehabilitation Courses to be Offered at Various Colleges and Universities during the 1949 Summer Sessions.

Vocational Rehabilitation of Disabled Civilian Personnel, United States Air Force—Relationship with Civilian Personnel Officer, Department of the Air Force.

Providing Rehabilitation Counselors with Information Contained in Civil Service Examination Announcements.

In close cooperation with the Office of Education, OVR prepared a much-needed instruction manual for the use of sighted teachers in vocational schools when such teachers are training blind persons in the use of power and hand tools. It will be released early next year.

Six supplements were issued to an industrial handbook for all State agencies serving the blind: "Slaughtering and Meat Packing," "Machine Operations," "Dairy Products," "Wrapping and Packaging," "Foundries," and "Photographic Processing." The handbook contains a specialized analysis of basic practical processes in several types of industry, and job descriptions.

Analyses of occupations ordinarily carried on in rural areas which may be suitable for the blind are a continuing function of OVR. Before handbook materials are published a rural specialist who is himself blind conducts a thorough examination of all available literature concerning the occupation being analyzed and personally performs every task which will have to be performed by the blind person. Supplements as follows were issued during the past year to OVR's handbook on rural occupations:

Supplement 2: Raising Rabbits for Meat and Fur

Supplement 3: Hamster (Syrian-Golden) Culture for Laboratory Purposes (Bio-Assay).

Research

It is only through sound research activities that there can be a clear identification of program needs and intelligent planning to meet those needs. There were significant developments in this field during the past year which will undoubtedly have beneficial effects reaching far into the future.

One of the most outstanding developments was the organization and establishment of the National Psychological Research Council for the Blind. The Council is composed of eminent psychologists working as a research and advisory group on problems of the psychological aspects of blindness. It encourages and coordinates research in behalf of this disability group. The psychologists comprising the Council are individually developing and validating tests to determine interests, skills, and aptitudes of blind persons. The tests will lead to standards which will permit comparisons with sighted persons who are in competition in various fields of occupation.

Illustrative of research participated in by OVR was a study on the prevalence of disability made in cooperation with the Federal Security Agency's Social Security Administration and Public Health Service, and the Bureau of the Census. The study was made possible by data from the current population survey, conducted on a sample basis each month by the Bureau of the Census. The findings will prove vital to all future planning activities.

The Office cooperated with one State agency in a demonstration project carried out in a representative county to obtain information from which to estimate the number of persons in the State in need of vocational rehabilitation. Another such cooperative project, initiated during the past year, was a study of the characteristics of the disabled persons in the counselors' case loads. This study was made to gain a better understanding of some of the problems incident to rehabilitation which exist because of the various types of cases served.

Other significant studies for improved program administration were made of cooperative relationships between schools for the deaf and State rehabilitation agencies. For the most part, however, lack of funds and personnel has forced the Federal Office to continue to encourage voluntary organizations and foundations to conduct, with OVR cooperation, some of the most urgent studies that are fundamental to the improvement of vocational rehabilitation services. An illustration is the special studies made of the persons with aural disabilities who were rehabilitated during 1948. These studies were carried out by graduate students at several of the Nation's colleges.

OVR, through its services for the blind, is concerned with the development of employment opportunities for them in every possible

field of human activity, and with the preparation of the blind persons to perform the jobs most compatible with their capacities. This objective requires attention primarily in two major fields of activity: (1) continuous research in all types of occupations to determine the functions which can be performed without the use of sight and which constitute a full-time career for an individual who possesses the other necessary qualifications for the occupation, and (2) continuous research and development in methods of securing and maintaining the cooperation of employers and the sighted public in the use of the skills of blind persons in all possible occupational fields.

Continuing research in production industries to select practical jobs for the blind is required because of the constantly changing technical methods used in the production of goods. These changes frequently eliminate processes previously selected as suitable for their employment, while new processes are developed which require analysis.

The major problem of getting and keeping the confidence of employers and the sighted public in blind persons is also a constantly changing one. The industrialist naturally has a more open mind concerning the abilities of blind workers when there is a labor shortage than when there is a labor surplus or when employee and employer relationships are strained. The situation in the labor market largely determines the difficulty or relative ease in obtaining employment for blind workers. Rehabilitation personnel responsible for developing employment in industry for blind persons must adjust their presentation of the subject to meet these changing conditions. OVR is called on to assist State agencies in meeting these problems. During the past year, 16 plant surveys were made to increase industrial job openings for the blind, as a result of which 13 of the companies in 12 different types of industries are known to have adopted the policy of employing blind persons. The surveys included the demonstration of factory processes in meat processing plants, laundries, bakeries, farm implement manufacture, plumbing, sash and door factories, and automobile and airplane plants.

Further assistance was given to State industrial specialists in their work of placing blind persons in industry. The Federal staff conducted 77 demonstrations with manufacturers in 10 States, the demonstrations serving as models for State specialists.

The Federal staff served as consultants to the State agencies in setting up committees to validate present-day procedures in the rehabilitation of blind persons. These committees conducted their research activities over a period of 6 months, and their activities culminated in a 3-day conference in which all results were carefully examined. This was a totally new experiment in staff development in the States. Some of the materials developed for the conference

have already been issued as basic guides to rehabilitation counselors for the blind in all the State agencies serving the blind.

Cooperative Agreements and Working Relationships

Thousands of disabled persons yearly are referred to State agencies for rehabilitation because of the development of working relationships with national organizations interested in and working with the disabled. These relationships, in the form of cooperative agreements, also set the pattern for case finding and mutual assistance in the provision of rehabilitation services at the operating level. Two additional cooperative agreements, with the National Society for Crippled Children and Adults and the American Epilepsy League, were completed this year, bringing the total to 25.

While the activation of all agreements at local levels is a continuous process, in several instances especially noteworthy progress was made. To determine the effectiveness of working relationships between State employment services and State rehabilitation agencies, field studies were conducted in eight States located in six of the 10 FSA regions. An evaluation was made of policies and procedures governing the referral of disabled persons by one agency to the other, and the coordination of efforts in solving the rehabilitation and employment problems of handicapped persons. Consultative services were provided in three States to establish more effective rehabilitation procedures and to increase the understanding of State personnel of the services available through cooperative agreements between the two agencies. A conference of officials of the U. S. Employment Service and OVR resulted in a clarification of national policies on cooperative agreements as well as an agreement on policies and procedures to be recommended for incorporation into State agreements.

The cooperative agreement with the Selective Service System (to facilitate vocational rehabilitation services to disabled veterans not entitled to rehabilitation through the Veterans Administration, and for persons rejected for military service on physical or mental grounds) was revised to clarify the legal problems and policies arising out of the Selective Service Act of 1948.

The Federal staff also participated in the annual conferences of the American Association of Workers for the Blind at St. Paul, Minnesota, of the National Rehabilitation Association at Madison, Wisconsin, in the regional conferences of the National Rehabilitation Association held in three other States, and in the first joint conference between home teachers and rehabilitation counselors for the blind at Denver. This participation further integrated the combined public and private efforts in behalf of the blind.

During the past year, cooperative activities of OVR and the States' Vocational Rehabilitation Council—official organization of directors of State agencies—were both unique in some respects and important to the total program. Of particular significance was our work with the Council's Committee on Evaluative Criteria for Programs of Vocational Rehabilitation, the Committee on Staff Development, and the Committee on Amputees. The objective of each of these committees was to recommend standards for improved practices in its field of interest.

At a meeting in Omaha, Nebraska, in October 1948, representatives of OVR met with a committee of the States' Vocational Rehabilitation Council studying bases for allocating Federal funds. Here were discussed the principles on which grants for fiscal year 1950 would be made, and specific criteria were formulated to be used as guides in budget review. These criteria related to such aspects as the number of cases which one counselor should be expected to handle at one time; the number of rehabilitations each counselor should achieve yearly; and the ratio of supervisory and consultative personnel to counseling personnel, of clerical personnel to professional personnel, and of State funds to Federal funds. Separate standards for counselors serving the blind exclusively were established and agreed to by the States.

Long-term standards for the administration of vocational rehabilitation were drawn up to take the place of the emergency standards formulated and utilized for the allocation of funds for the fiscal year 1949.

In addition to its participation in the work of the Council's Evaluative Criteria Committee, OVR also assisted in the preparation of the committee's publication on the evaluation of State agency programs.

During the past year OVR increased considerably its activities in the international field, principally by establishing a close working relationship with the Agency's Office of International Relations. This work included planning for advisory technical services on rehabilitation to war-devasted and under-developed countries; program planning and supervision of United Nations Fellows observing the conduct of vocational rehabilitation in the United States; and participation in meetings and membership on committees concerned with vocational rehabilitation in foreign countries.

Guidance, Training, and Placement

The functions of OVR include assistance to the States in guidance, training, and placement. These activities are aimed at increasing the quantity and the quality of State services in rehabilitating increasing

numbers of vocationally handicapped persons into employment commensurate with their capacities. Since rehabilitation is an individualized process, intensive efforts are channeled into the areas of guidance, training, and placement.

Early discovery of disabled persons and determination of those among them who have disabilities which constitute employment handicaps are important in themselves and have logical priority in the rehabilitation sequence. However, they do not represent as great or complex problems as those involved in guiding the vocationally handicapped person into making reasoned decisions regarding his physical restoration, selection of job objective, his vocational training and placement. An example of Federal participation in these vital aspects of the program is the help provided a counselor in diagnosing client needs correctly, in counseling more effectively, and in executing efficiently the many duties involved in orderly planning for the necessary additional services. These duties require the determination of the client's economic need, providing him with the needed services, including placement in the right job, and following up to make sure the job and the worker are properly matched.

There was increased activity in the use of vocational schools in which blind persons are trained with sighted students in using power and hand tools and thus prepared for work in production industry with sighted persons. Selected personnel of six vocational schools were given training by OVR during the past year.

Review of case work operations and services continues to be the most effective technique for assisting State agencies to streamline their operational patterns and to adopt progressive case work procedures. As part of the continuous evaluation of the techniques used in extending services to the State agencies, the State director and his representatives were brought into regular participation in all phases of the reviews, including planning, the actual conduct of the review, the report, and the recommendations.

A State agency was stimulated to inaugurate plans leading to the personal adjustment and prevocational training of deaf adults who are unschooled but educable—plans which included a statement of objectives, an operating program, personnel qualifications, criteria for selection of trainees, and reporting procedures. Another State was assisted in setting up standards for the certification of psychologists to render psychotherapeutic services under the supervision of psychiatrists. Another was advised on procedures for securing electrical recordings of client-counselor and supervisor-counselor interviews for staff training purposes.

Acceleration of the use of occupational information as an important

element in counseling is another example of consultation influencing all State agencies.

Minimum standards for eligibility and services are the guideposts for rehabilitation workers. Refinement of existing standards and the development of new ones where the need is evident are carried on continuously. New and vastly improved standards for determining eligibility and for termination of cases were issued in final form during the past year, and considerable progress was made in preparing standards for training services. The development of standards for screening unschooled but educable deaf persons for personal adjustment and prevocational training was partly completed.

A large amount of staff time was devoted to assisting the States in evaluating their standards, policies, and procedures. These related to rehabilitation centers, insanatoria rehabilitation services, psychological testing services and their evaluation, case work performances and supervision, aural rehabilitation services, occupational therapy as physical restoration and as training, determination of economic need, screening clients for college attendance, integration of psychologist and counselor performance, services to out-of-State clients, the mentally ill, and the mentally retarded, reopening of cases, and standards for personnel providing speech training for the aurally disabled.

STAFF DEVELOPMENT

In no aspect of the total Federal performance is its contribution more apparent than in the area of staff development—the preparation of rehabilitation workers to perform their jobs more effectively. Since the inception of this technique of staff development in 1944, 77 federally sponsored training institutes have been conducted with a total attendance of nearly 2,000 State rehabilitation workers. The cumulative effect of these institutes, which ranged from orientation courses to special programs about specific disability groups, was felt most favorably during the past fiscal year. Each worker has become more proficient as he has applied and developed the knowledge he acquired in training institutes and on the job. He has enjoyed the benefits of more expert supervision as his supervisors have adapted to the local program the skills and standards of performance they in turn acquired at the special institutes for supervisory and administrative personnel.

In the past several years, as inadequate funds have retarded recruitment of new State personnel to meet the demands of an expanded program, responsibility for orientation of new personnel has

been increasingly assumed by the State staff with such consultative assistance from OVR as was indicated or requested.

Institutes during the past year emphasized the redirection of staff training into specific disability and functional areas. Two psychological testing conferences, a conference for training supervisors in the counseling interview, and a training institute on the rehabilitation of the visually handicapped were characteristic of the different approach.

Six other training programs included four on the rehabilitation of the tuberculous, one on case work supervision, and the second annual workshop on guidance, training, and placement. A total of 213 State rehabilitation workers from 40 States, including all regions, participated in these programs. As a further development, plans were also made for a training program for special workers for the deaf and the hard of hearing.

The workshop for supervisors of guidance, training and placement, mentioned above, is illustrative of the functional approach in staff development. State personnel assigned to supervisory responsibilities over these core elements are key individuals in developing the best possible State programs. The second workshop was concerned with four major subject areas: (1) psychological services, (2) the severely disabled, (3) case work standards, and (4) occupational information. The result in each subject was the formulation of plans for intrastate organization of resources, principles for State operational patterns, and desirable methods for coordinating special services with counselor performances. By-products were specific bibliographies, collections of pertinent technical materials, and original materials on basic problems in the subject areas.

Institutions of higher education were encouraged at every opportunity to develop curricula devoted specifically to vocational rehabilitation. Material pertinent to the organization of a curriculum in vocational rehabilitation was prepared for Arnold College and Purdue University, while technical assistance was given in connection with summer school courses in vocational rehabilitation at Pennsylvania State College and Colorado A. & M. A tentative course of study was prepared for training rehabilitation counselors for the deaf and the hard of hearing at Gallaudet College, and exploration of the possibility of similar training at the University of Illinois was initiated.

A new departure in staff development was the preparation and distribution to State rehabilitation agencies of a suggested training program to introduce technical materials of special importance to improved counseling. For example, a training program, supplemented by a specific bibliography, was prepared for State use in connection with the Occupational Outlook Handbook published by the Bureau of Labor Statistics.

Planning, Organization, and Fiscal Services

The planning of operations to achieve the objectives of the program has been a major concern of every State rehabilitation director, particularly in view of restricted amounts of Federal and State funds. To assist him in meeting his problem, services made available by OVR included administrative surveys, reviews of fiscal audits, assistance in the preparation of budget requests, review of State Plan amendments, development of statistical methods and information, use of activity studies, and consultative service in specific administrative fields.

Major emphasis was placed on consolidating and strengthening all aspects of administration, particularly on relating workload standards to staff requirements and over-all agency needs. The Office continued its work on the development of organization and administrative practices to meet the requirements of State rehabilitation agencies, and on the development of policies, procedures, and standards to ensure an adequate program of rehabilitation. Other fiscal and statistical accomplishments included revisions of the basic accounting system recommended to State agencies and of statistical and financial forms.

Many administrative and fiscal activities of OVR necessitate close operating relationships with other programs of the Federal Security Agency. In the past year this was especially true of OVR's work with the Agency's Division of Merit System Services of the Office of Federal-State Relations. In cooperation with this division, policies and procedures were formulated for the delegation of authority to the Federal regional staff to approve Plan material relating to merit system services.

The Agency's Office of Education and OVR also worked closely together in preparing technical materials for use by the State agencies in their rehabilitation work.

Rehabilitation of the Severely Disabled

Vocational rehabilitation is a composite of many professions working as a team, each sharing responsibilities according to its specialty and, above all, applying related professional skills to the specific needs of the disabled person being served. This is particularly true in the rehabilitation of the severely disabled, in which the "team" approach underlies all successful services.

OVR and the States during the past year worked with the Welfare and Retirement Fund of the United Mine Workers of America to provide the necessary "teamwork" for rehabilitating disabled miners,

particularly those with paraplegia. As a result, in one State alone 460 disabled miners were rehabilitated. Thus, the physical rehabilitation services procured by the Fund at highly specialized medical centers were not wasted because of failure to integrate them into a program of vocational rehabilitation which welds maximum physical recovery to the psychological stimulation of ultimate economic independence through self-sustaining employment. Vocational counseling was made available by State agencies at the special centers used for disabled miners in California, New Jersey, New York, and Virginia.

REHABILITATION CENTERS

For a number of years, separate facilities for physical medicine, vocational, and psycho-social services have been maintained in many of the communities throughout the country. The fact that the physical separation of these respective services does not contribute effectively to the vocational rehabilitation of the severely disabled is illustrated by the experience of the Welfare and Retirement Fund in its attempt to secure vocational rehabilitation services for its severely disabled miners. Because of the absence of facilities to provide co-ordinated services the Fund financed a special facility to extend appropriate physical medicine services to a major portion of this group, while the State-Federal program arranged to provide the vocational and psycho-social services. Only through this teamwork was a coordinated range of services made possible.

OVR is attacking the problem arising from uncoordinated services in two ways: by encouraging the development of as many services as possible under one roof, and by making it possible for the severely handicapped person, who enters a facility which has limited services, to receive every necessary service from supplemental sources. The latter is accomplished by bringing together all facilities which can contribute to the disabled person's complete rehabilitation, as was done for the paraplegics of the United Mine Workers.

Severely disabled persons must first have substantial medical services to save their lives and their health. This is primarily a medical care responsibility beyond control of OVR but one in which the Office often cooperates by providing subsequent medical services to make it possible for the disabled person to walk, to travel, and to stand the strain of work. These persons also must have the type of training which will give them something interesting enough and profitable enough to do when they return home. In the case of paraplegics, they must be kept out of bed and actively using upper extremity muscles, or else they suffer a penalty even greater than unemployment. It is a return to bed sores, infection, progressive weakening, and a definitely shortened life span.

During the past year OVR devoted a large amount of staff time to the preparation and evaluation of standards, policies, and procedures relating to rehabilitation centers. In addition, a committee of the States' Rehabilitation Council was appointed to study the problems of establishing centers throughout the United States.

A rehabilitation center is a facility which offers, as a basic minimum, medical evaluation, vocational evaluation, and functional training. The facility nearest this goal is the Woodrow Wilson Rehabilitation Center, located at Fishersville, Virginia. This center—a former 2,000-bed general hospital of the Army—is operated by the Virginia State Vocational Rehabilitation agency, and is the only rehabilitation center in the country under the full control of a State rehabilitation agency. In the breadth of its rehabilitation services this center is unique. Though in no way a hospital, hospital services being purchased elsewhere when necessary, it offers complete services in physical medicine and the therapies and has a visiting staff of consultants in the other medical specialities. Medical needs are, therefore, either met or provided for. In addition, it offers as full a range of formal vocational training opportunities as are available to any able-bodied nondisabled person in Virginia. Academic training is also readily accessible on the grounds in a regional high school. The center can and does, therefore, make available every medical and vocational service necessary for the rehabilitation of disabled individuals.

In addition to serving the disabled of Virginia, the center provides services on a purchase basis to severely disabled persons of the rehabilitation agencies of many other States. Among these are the District of Columbia, Pennsylvania, West Virginia, Maryland, North and South Carolina, Mississippi, Tennessee, Georgia, and Oklahoma. This institution is fast approaching the limits of its capacity, however, which underlines the necessity for additional rehabilitation centers elsewhere.

THE BLIND

The failure of many blind persons in their careers is not due to a lack of intelligence or ability to perform, but rather to their difficulties in adjusting to their handicap. Thus the need for specialized adjustment training of the adult blind is recognized as a preliminary to vocational training. The Federal staff provided consultative services in the establishment of 11 new adjustment training programs for the blind, which brought the total to 31. These new programs are located at Richmond, Virginia; Romney, West Virginia; Philadelphia and Bethlehem, Pennsylvania; Cleveland, Ohio; Portland, Oregon; Alamogordo, New Mexico; Jacksonville, Florida; West Palm Beach, Florida; Jefferson City, Missouri; and Topeka, Kansas.

Another example of consultative field service was that of a member of the Federal staff, a blind rural specialist, who accompanied a State rehabilitation counselor in visits to 11 blind persons living on farms and in rural areas. Five of the 11 were deaf as well as blind. In working out a rehabilitation plan for these persons, the services of the county farm agent, the local banks, the local representative of the Farmers Home Administration, the Soil Conservation agent, and the Production and Marketing Administration were utilized. In this way the State rehabilitation counselor was also given a pattern for diagnosing other extremely difficult conditions.

Following are examples of some of the developments in providing employment for blind persons in various types of business:

(1) A Southern State reported that four blind men are manufacturing spring-type clothes pins and are able to produce 100 dozen an hour.

(2) Several blind men are manufacturing cement blocks for the builders of homes in their respective areas.

(3) One State reported a blind man successfully running a general music store.

(4) One blind girl is operating a yard-goods retail store.

(5) A blind man is running a plumbing and electrical sales and repair business.

(6) A blind Negro has an automobile repair garage.

(7) A blind man is building custom-designed kitchen cabinets and office furniture in addition to a standard line of furniture for the general trade.

Three State agencies requested and received partial or complete surveys and analyses of their general programs including their special rehabilitation services for the blind. One State agency, in cooperation with a private agency in one of the State's larger cities, requested assistance in developing a 10-year plan of services for the blind with the objective of more nearly meeting the entire needs of blind persons in that city. The preliminary work on this project has been started and we hope to complete the plan next year.

The Randolph-Sheppard Act authorizes operation of vending stands in Federal buildings by blind persons when they are licensed as operators by a public agency designated for this purpose by the Director of the Office of Vocational Rehabilitation. The solution of operating problems in this program requires continuous negotiation and consultation by the Federal staff with Federal departments controlling buildings and with the State licensing agencies. As a result of this program, 44 new vending stands were installed in Federal buildings during the past year, bringing to 1,066 the total number of vending stands being operated by blind persons in public and private buildings.

Gross sales from these stands were some \$11 million last year, the blind persons averaging an annual income of about \$1,700.

The Federal staff made field visits to 13 States to give direct assistance to the licensing agencies and the blind operators. This assistance consisted of such services as designing equipment to fit unusually difficult space allocations, as well as equipment which enabled the blind person to serve customers as if he were sighted; developing methods to eliminate losses by pilfering or by inefficient operating methods; devising methods of training blind persons to become more efficient operators; improving accounting procedures, and exploring possibilities in communities for other vending stands or business enterprises within the area.

OVR, with the cooperation of the National Council of Executives of State Agencies for the Blind, developed rules and regulations for the administration of the Randolph-Sheppard Act and the guidance of all State licensing agencies. These regulations, issued during the year, are based on the experience of the State administrators of the program since passage of the Act in 1936.

Services to the Handicapped

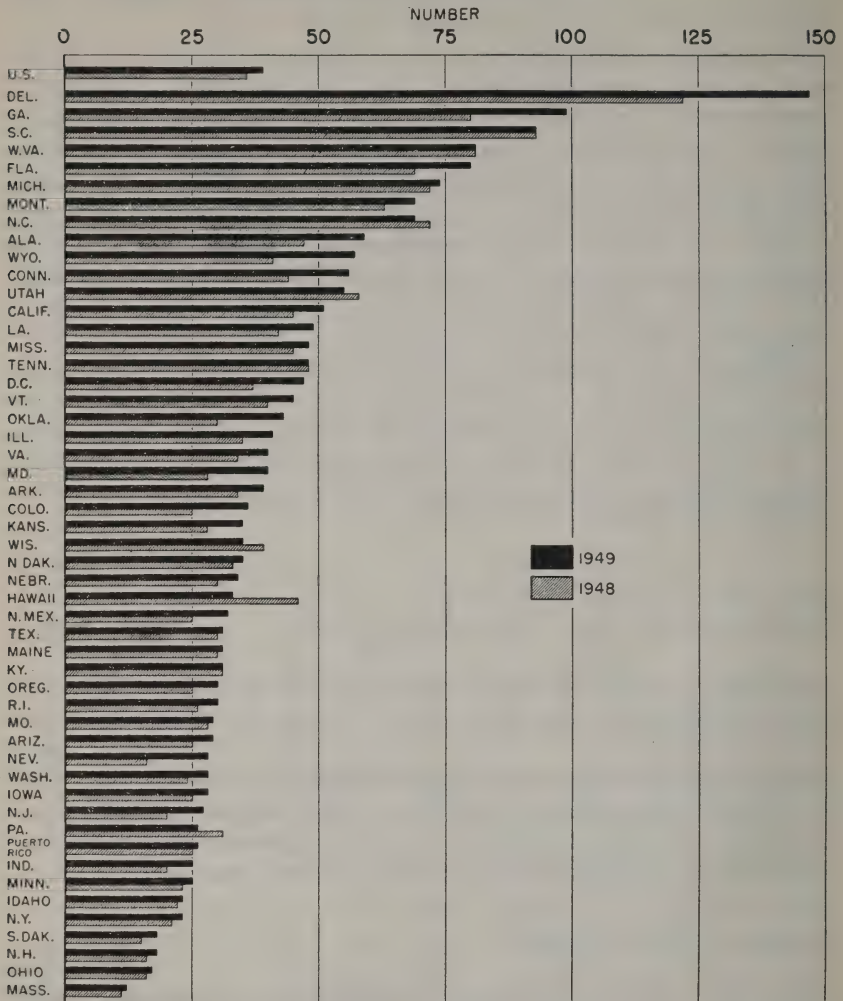
All but five States reported a rise in the number of men and women rehabilitated in the last fiscal year. Delaware ranked first, with 147 rehabilitations per 100,000 of the civilian population. After Delaware were Georgia with 99 rehabilitations; South Carolina with 93; West Virginia with 81; and Florida with 80 per 100,000. Each of the five more than doubled, and 18 other States either equalled or surpassed, the national ratio of 39 per 100,000 (chart 1).

Number of Persons Served

Not only did the number of rehabilitations increase by 5,000 during the fiscal year 1949, but the total number of persons on the registers of the State agencies rose from 348,427 to 372,344 (table 2A). During the year, 216,996 persons received some rehabilitation services, 133,714 of whom were still undergoing rehabilitation at the end of the year. At that time, 95,851 referrals were being investigated to determine eligibility for rehabilitation.

The 133,714 persons still undergoing rehabilitation on June 30 represented an increase of 14 percent over the 1948 total, while the number who had been placed in employment and were only being observed for determination of adjustment on the job represented a 22 percent rise.

Chart 1.—NUMBER OF PERSONS REHABILITATED PER 100,000 POPULATION



Population estimated by Bureau of the Census, as of July 1, 1948, for continental United States and as of July 1, 1949, for Hawaii and Puerto Rico

Of the 133,714 persons in process of rehabilitation at the close of the year, 14,660 were receiving physical restoration service, such as medical or psychiatric treatment, as their major service, in contrast to 11,773 a year earlier. Persons receiving training increased from 26,182 to 30,916.

One of the important steps of the rehabilitation process is the preparation of a sound program of rehabilitation for the client, who participates actively in its planning. At the end of the fiscal year,

59,559 persons were having their cases evaluated, were receiving assistance while a rehabilitation plan was being formulated, or had plans completed but not initiated. For 1948, the comparable figure was 57,295. Services preparatory to placement had been completed for 10,983 persons as against 7,396 on June 30, 1948. These persons were ready for a job and were awaiting a suitable opening. Some 11,257 persons, or 2,026 more than a year earlier, were at work but were receiving follow-up services to ensure adequate adjustment to the job. The extent and type of follow-up services vary with each individual and, if a person cannot adjust to the first job, another more compatible one is found for him. Rehabilitation services for 6,339 persons were temporarily interrupted at the close of the year for causes such as illness or family problems.

Of the 83,282 cases closed, 58,020 or 70 percent were rehabilitated. Another 21,076 cases were closed while undergoing case diagnosis, or during the counseling-planning stage, or before the rehabilitation plan was initiated. The reasons usually given for closure at these stages are indifference of the client, increase in the degree of disability, loss of contact with the client, or further services not needed. Transfers to outside agencies such as Veterans Administration or to other State rehabilitation agencies totaled 742, while 3,444 cases were terminated without placement after receiving rehabilitation services in addition to counseling and planning. Death, illness, and other personal factors, and aggravation of disability were some of the cases for closure of these cases, which represented only 4 percent of all cases closed from the active rolls during the year.

Sources and Number of Referrals

Agencies or individuals referring the disabled to the various State rehabilitation agencies perform a most important service (chart 2). Without the formal cooperative arrangements which OVR has with a large number of public and private agencies, the work of rehabilitation could not go forward.

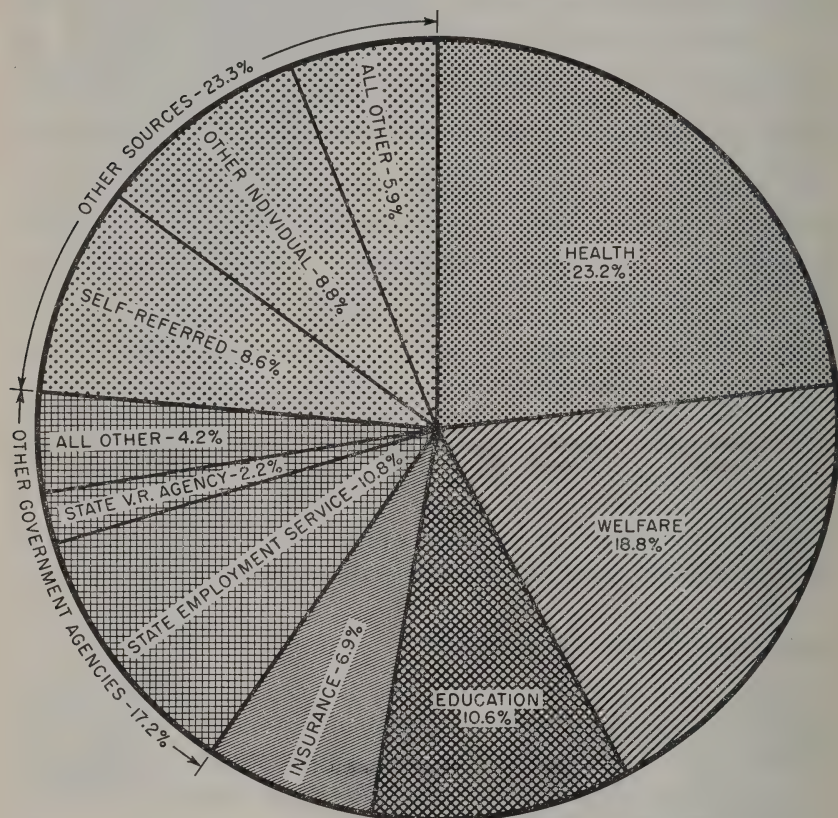
Schools, hospitals, sanatoria, other health agencies, and physicians—which together referred 34 percent of the total group—are in a unique position to help make known to the disabled the benefits of rehabilitation soon after disability has occurred. One of the most difficult problems is to reach the disabled person as soon as possible after the disablement and before the debilitating effects on mind and body have weakened the will and the ability to make a comeback.

Public and private welfare sources, the American Red Cross, and community advisory centers as a group sent to the State rehabilita-

tion agencies and commissions or other agencies for the blind 19 percent of all referrals during 1949. The State employment services referred the next largest number for any one group, or 11 percent of all referrals.

Chart 2.—REFERRALS FOR REHABILITATION

Percentage distribution of number referred, by source of referral



Seven percent came from State workmen's compensation agencies and other insurance groups, while the remaining 29 percent were referred by artificial limb companies, employers, labor unions, individuals, and various governmental agencies (other than the State employment services).

Upon referral, a client is placed in "referred" status while his eligibility is being determined and his employment handicap diagnosed. At the beginning of 1949, there were 96,179 persons in referred

status. During the year, more than 158,000 new referrals were added, representing 62 percent of the 254,550 cases in referred status during 1949. Of the total number, 59,497 cases were closed as ineligible, not interested in or needing rehabilitation, in need of services other than rehabilitation, referred to other agencies, and so on. A larger group, 99,202, were accepted for service and became part of the active rolls. The other 95,851 cases were carried over into the 1950 fiscal year for determination of eligibility.

Services Increase Markedly

During the past year there was a decided increase in every major category of service purchased.³

To furnish these services the State rehabilitation agencies use the existing facilities in the disabled person's community or elsewhere within his State. When these are lacking, they utilize the facilities of other States. While some services are provided by the State agency, most are purchased from outside sources. The rest are obtained from available facilities without cost to the State agencies or are paid for from funds supplied by interested individuals, private agencies, and by the disabled persons themselves to the extent that they are able to do so.

Medical, psychiatric, and physical examinations during the past year were made of 106,496 clients. This is an 11.9 percent increase over the 95,162 clients receiving such examinations during the 1948 fiscal year.

Services aimed toward the physical reconstruction of the individual include surgery and medical treatment, along with hospitalization, and nursing and convalescent care. Physical, occupational, and work therapy are also given when needed. Medical, psychiatric, surgical, and dental treatments were given to 17,537 clients, as compared with 14,660 in 1948. The increase of 9.8 percent in psychiatric treatment shows the increased recognition of the significance of emotional factors in a consideration of the problems which render an individual unemployable. The number of mentally handicapped persons rehabilitated increased 19 percent over the previous year's total and was nearly double the number rehabilitated in 1946.

Clients receiving hospitalization and convalescent care numbered 14,347 compared with 11,243 in 1948.

Appliances, essential to many rehabilitations, include dentures, limbs, braces, hearing aids, and artificial eyes, as well as various

³ The figures on services in this section relate only to services purchased under the program. Data on services provided without cost to the program are not available.

surgical aids such as trusses, belts, orthopedic shoes, and crutches.

Such appliances were supplied 18,316 clients in 1949 compared with 16,967 during 1948—a 7.9 percent increase. Among the appliances supplied during 1949, surgical aids showed the greatest rise over 1948—a 7.9 percent increase, with hearing aids and glasses surpassing the 1948 record by about 20 and 15 percent, respectively. The great uptrend in hearing aids reflects the greater number and proportion of hard of hearing persons being served. Likewise, the number of glasses and artificial eyes furnished in 1949 resulted from increased attention to persons with visual impairments.

Training for clients is purchased or obtained from colleges and universities, public and private vocational trade schools, correspondence schools and tutors, and on the job. Eleven percent of all training provided in 1949 was given on the job. Persons receiving training through educational institutions—universities, colleges, commercial and business schools—numbered 26,896, representing an increase of 3.1 percent over last year. The 4,353 who received on the job or employment training represented an increase of 6.4 percent. The number receiving tutorial training, 4,398, represented a 9.7 percent increase. Correspondence and extension courses were given to 1,939 clients, or almost 3 percent less than in the preceding year.

Training and training materials were provided for a total of 37,536 clients compared with 36,188 in the previous year. The number of occupational tools and equipment supplied during 1949 surpassed the 1948 figure by 8 percent. Occupational licenses were furnished to 375 clients compared with 332 in 1948, an increase of 13 percent.

Financial assistance for maintenance during the period of rehabilitation, when necessary, and transportation incidental to case diagnosis, training, physical restoration, or placement were provided 24,164 clients, or 2,123 more than in 1948.

Characteristics of Rehabilitants

Men constituted 69 percent and women 31 percent of the 58,020 persons rehabilitated during the 1949 fiscal year—approximately the same proportion as in the working population. The median age at the time the 1949 rehabilitants were surveyed for services was 31. As the average period required for rehabilitation is about a year, the average age of the 1949 rehabilitants was 32.

More than two-fifths of the rehabilitants were married, approximately the same proportion had dependents, and two-thirds of those with dependents had more than one.

Their Economic Status

Before their rehabilitation, the income of the persons rehabilitated in 1949 fell considerably short of meeting their minimum needs; about 46 percent of the group were dependent on their families for support, 8 percent lived on their insurance benefits, about 9 percent received public assistance, 1 percent received private relief, 10 percent were living on other sources of support, and 26 percent were living on their wage earnings. A small proportion of this latter group, however, were not currently earning wages at the time of survey, but were living on their savings. Moreover, many of the employed persons were in temporary or part-time jobs. Some 32,000 persons or 55 percent of the 1949 group met their financial needs by obtaining either public assistance or support from their families, as compared with 53 percent for 1948.

Their Disabilities

Persons with impairments of limbs and other parts of the body resulting from injury or disease constituted by far the largest group of rehabilitants—18,000. This group included 3,541 persons with impairments as a result of poliomyelitis, 1,422 from arthritis, 892 from cerebral palsy, and 527 from diabetes. Amputations or congenital absence of limbs constituted the disabilities of 7,400. There were 7,100 persons with visual defects, 3,166 of whom were blind. The deaf totaled 1,200, and the hard of hearing 3,900. Persons disabled from pulmonary tuberculosis numbered 4,700 while 2,300 were disabled from cardiac disorders. Mental disorders accounted for 3,800 persons, while the remaining 9,600 suffered such disablements as speech defects, hernia, and stomach ulcers.

Their Rehabilitation Jobs

The jobs into which they were rehabilitated show clearly that a handicapped person, through rehabilitation, is fully capable either of exercising the skills he acquired before he became disabled or of learning new and varied skills in keeping with his physical and mental capacities.

Approximately 16 percent of the group were placed in skilled occupations such as watchmakers, jewelers, and automobile mechanics.

About 15 percent were placed as secretaries, typists, stenographers, general office workers, bookkeepers, and telephone operators.

Some 13 percent were placed in semiskilled occupations and 15 percent in service occupations, while 9 percent were in unskilled jobs.

Seven percent were rehabilitated into professional or semiprofessional occupations; this group included lawyers, teachers, engineers, draftsmen, and photographers. The remaining 25 percent went into managerial, sales, and related positions, or became agricultural or family workers.

Their Earnings

Seventy-five percent were unemployed at the time rehabilitation was started and 3 percent were farmers or family workers whose income was not reported. The annual earnings of the 22 percent who were wage earners were at the rate of \$17 million. However, some of the persons who were working were not able to live on their earnings and were receiving public or private assistance, or both. Some of these persons were in danger of losing their jobs because of their disabilities, were in temporary or part-time jobs, were in jobs which constituted hazards to themselves or their fellow workers, or were otherwise unsuitably employed.

After rehabilitation, 87 percent of the 58,020 persons were in jobs with total annual earnings at the rate of \$93 million. This figure is more than five times the prerehabilitation earnings of the entire group. Of the remaining 13 percent whose earnings are not included in the \$93 million figure, the earnings of 7,728 farmers or family workers were not estimated and the wages of the other 170 rehabilitants were not reported.

District of Columbia Rehabilitation Service

The Rehabilitation Service of the District of Columbia, which, unlike the other agencies in the program, is administered by OVR, rehabilitated 404 disabled men and women compared with 321 the year before. In addition, 65 disabled persons had been placed in employment after receiving all necessary services, and at the close of the year were only being observed to make sure that placement was satisfactory to both them and their employers.

The District's health agencies—hospitals, clinics, and doctors—lead all other sources in referring disabled men and women to the Rehabilitation Service. New referrals from these sources amounted to 331 compared with 288 during the previous year.

The Service's success with local health agencies resulted from the very close cooperation of its Medical Advisory Committee and the Rehabilitation Committee of the District Medical Society. Through these committees the Service was invited to participate in the 19th

Annual Scientific Assembly of the District of Columbia Medical Society. One result of this participation, which promises to lead to increased cooperation from local physicians, was the appearance in the Society's organ, *Medical Annals*, of an editorial stressing the importance of early referrals and the value of the services provided.

As a part of its staff development program, the Service held a 1-week in-service training institute in the latest rehabilitation methods and techniques. The District Service also took an active part in establishing an in-hospital educational program for tuberculous men and women who constitute prospective clients. This program will make it possible for many of these individuals, whose education was interrupted by tuberculosis, to complete their education when it is considered a necessary part of their rehabilitation.

The Service is the licensing agency in the District of Columbia for the administration of the vending stand program in Federal and other buildings under the Randolph-Sheppard Act. At the end of the fiscal year, 57 stands were in operation. The blind operators employed on these stands had average annual earnings of about \$3,500.

The National Goal

Impressive as were the results of the State-Federal program of vocational rehabilitation during the fiscal year 1949, they fall far short of the national goal established by the Federal Security Administrator in his report to the President on "The Nation's Health," namely: "To rehabilitate the 250,000 men and women who become disabled through illness or injury every year so that they can be restored to the most nearly normal life and work of which they are individually capable." The increasing number of disabled men and women rehabilitated each year since 1943 by the State-Federal program underlines the realism of the national goal. In another sense, however, the fact that the program in its peak year was hardly more than one-fifth of the way toward its goal shows that injuries and disease are disabling people more rapidly than the present program can provide rehabilitation for them.

Vocational rehabilitation is a necessarily complex program. No one agency or institution, without the assistance and cooperation of numerous public and private agencies, can provide the great diversity of service required in vocational rehabilitation. This principle is understood, but its practice requires both adequate financial support and a merging of interests and services. The several functions which must be organized under the direction of a "professional team" before complete rehabilitation can be accomplished for the disabled are

guidance, physical restoration, hospitalization, maintenance, vocational diagnosis, training, and placement services.

The attainment of the national goal necessitates extending and broadening the present State-Federal program. The current Act provides the basic framework of services for the vocational rehabilitation of our disabled men and women. The full impact of these basic services, however, cannot be realized without a marked increase in the financial investments which both the State and Federal Governments make for the conservation of our human resources. The State share of the total cost of the program has been increasing and, according to plan, the States will assume an even greater proportion of this cost over the coming years.

A second and most urgent need is for centers and facilities in which all necessary therapies, counseling, and training may be provided concurrently or as needed to effect the maximum development of the disabled individual's abilities. The absence of such facilities limits the number of severely disabled persons who might be restored as productive members of their communities. The achievements of specialized facilities, on the other hand, have been strikingly demonstrated. Such demonstrations have come from the Army Air Forces, the Veterans Administration, the Woodrow Wilson Rehabilitation Center of Virginia, the Baruch Committee on Physical Medicine, the cooperative efforts of OVR with the United Mine Workers Welfare and Retirement Fund, and the accomplishments of several private centers under the direction of such eminent authorities as Dr. Henry Kessler, Dr. Howard A. Rusk, Colonel John Smith, and Miss Bell Greve.

Paralleling the need for such centers and facilities is the need to increase employment opportunities for the more than 400,000 severely disabled persons whose physical or mental condition prevents or retards their absorption into the competitive labor market. This group primarily needs specialized medical, psychiatric, psycho-social, and related therapeutic services, as well as special training and special employment facilities.

It is generally agreed that adequate workshops offer a feasible approach to the training and conditioning of many types of disabled persons. However, for certain other severely handicapped persons, these workshops represent the only opportunity they have for remunerative employment. Current estimates indicate that existing workshops are capable of absorbing only 10 percent of the nonblind and about 20 percent of the blind who need such facilities. The report of the Subcommittee on Aid to the Physically Handicapped (79th Congress) stated that "the provision of well-conducted workshops for those who need this type of employment is not adequate" and recommended that "grants-in-aid to the States for vocational rehabilitation

services should be extended and the law amended to cover the establishment of sheltered workshops as a part of the rehabilitation process."

There is urgent need also for such development of the vocational rehabilitation program as will provide physical, mental, and vocational preparation for employment of the severely disabled persons who are home-bound. This group obviously cannot attain a working status even in specialized workshops. But after a period of special training to prepare them for some form of craft work in their homes, they could become partially if not completely self-supporting.

It is desirable that programs for the home-bound encompass services which prepare the individual for some kind of business enterprise operated under his own management. For it has frequently been found that disabled persons in this group, while not adaptable to work under the management of others, are successful in managing their own enterprises at which their peculiar talents may come into play.

A program of adjustment services for blind persons should also be established which would provide training to help them meet the demands of daily living, including instruction in travel and braille.

Funds and personnel are badly needed for research designed to develop techniques or application of known techniques to the process of vocational rehabilitation. These studies should be a part of the basis for establishing rehabilitation standards and policies. There is particular need for additional staff for developing more knowledge regarding the rehabilitation of persons who are generally classed as severely disabled. We should also have more knowledge of the psychological and physical effects of disablement.

Also needed are national research and adjustment centers to develop or improve techniques and devices for rehabilitating the blind and other severely disabled persons.

OVR has put into concrete form legislative proposals which would fill these gaps in the present statutory structure for vocational rehabilitation and make available basic services which cannot now be provided. These proposals have been submitted to the Congress as part of the comprehensive legislative program of the President.

In developing the proposals, the Office worked closely with representatives of cooperating agencies, both public and private, such as the States' Vocational Rehabilitation Council, the National Rehabilitation Association, the American Foundation for the Blind, and the American Association of Workers for the Blind. The resulting recommendations to the Congress were therefore based on the experience of all these agencies which serve disabled persons.

As part of the plan for rehabilitating all the disabled who need vocational rehabilitation services, it will be essential to conduct a large-scale program of information. The extent of disability among

the civilian population, the suffering and economic loss entailed, and the vocational potentialities of the handicapped are not generally understood by the public or by many medical and other professional groups. Nor is it widely realized that each of the disabled persons who is rehabilitated will, in 5 years, more than repay in Federal income taxes alone the investment of Federal funds made in him, and in his work-life will return a net profit of \$10 for each \$1 of Federal funds spent for his rehabilitation. When the program receives the full support which it needs, the national stature, comprised so largely of health and production, cannot help but prosper and grow to the immense benefit of all.

Table 1A.—Summary of case load, fiscal year 1949

[Corrected to Sept. 1, 1949]

Total number of cases registered.....	372,344
1. Cases receiving services.....	216,996
a. Closed-employed-rehabilitated.....	58,020
b. Closed-unemployed ¹	3,444
c. Closed-transferred to other agency.....	742
d. Closed-other reasons ²	21,076
e. Active case roll ³	133,714
2. Cases closed from referred status ⁴	59,497
3. Cases in referred status ⁵	95,851

¹ Closed after rehabilitation plan was agreed upon and approved by supervising official; received rehabilitation service but never reached the point of employment because of personal factors, illness, aggravated disability, etc.

² Closed following acceptance during process of counseling or prior to initiation of rehabilitation plan, because of indifference of client, probable increase in degree of disability of client, loss of contact with client, etc.

³ In process of rehabilitation on June 30, 1949.

⁴ Service declined, services not needed, individual not eligible, individual not sufficiently cooperative to make rehabilitation possible, individual needing services other than vocational rehabilitation, referred to other agencies, migratory shifting of the individual.

⁵ Eligibility for rehabilitation not determined.

Table 2A.—Total case load, by agency, fiscal year 1949

[Corrected to Sept. 1, 1949]

Agency ¹	Total	Number closed during fiscal year 1949				Number on rolls on June 30, 1949		
		From active case roll				From referred status ⁴	Active case roll ⁵	In referred status ⁶
		Employed (rehabilitated)	Unemployed ²	Transferred to other agency	Other reasons ³			
Total.....	372,344	58,020	3,444	742	21,076	59,497	133,714	95,851
Alabama.....	10,380	1,675	153	11	384	362	4,127	3,668
Arizona.....	1,379	188	10	4	38	218	419	502
Arkansas.....	6,128	756	23	7	403	1,322	2,016	1,601
California.....	34,020	5,004	338	48	1,575	6,164	11,239	9,652
Colorado:								
General.....	2,499	393	5	39	153	667	792	450
Blind.....	312	24	0	0	9	143	61	75
Connecticut:								
General.....	5,571	1,054	133	27	385	413	2,785	774
Blind.....	252	62	23	4	2	28	91	42
Delaware:								
General.....	1,816	410	22	8	235	312	724	105
Blind.....	131	26	23	2	12	14	50	4
District of Columbia.....	2,470	404	97	12	247	414	1,117	179
Florida:								
General.....	8,652	1,655	115	27	178	1,970	3,309	1,398
Blind.....	2,520	209	34	9	43	852	691	682
Georgia.....	28,699	3,075	73	20	3,870	2,289	6,355	13,017
Hawaii:								
General.....	2,058	146	23	4	19	324	568	974
Blind.....	436	31	0	3	48	238	73	43
Idaho:								
General.....	1,124	116	1	5	13	268	216	505
Blind.....	118	7	1	1	7	8	50	44
Illinois.....	12,582	3,513	107	13	750	1,278	5,672	1,249
Indiana:								
General.....	5,367	848	72	22	177	374	3,170	704
Blind.....	518	127	11	1	34	35	274	36
Iowa:								
General.....	4,594	695	25	0	403	634	1,856	981
Blind.....	239	30	1	0	6	103	73	26
Kansas:								
General.....	3,325	655	24	12	152	638	1,091	753
Blind.....	284	38	0	3	22	41	107	73
Kentucky.....	6,115	859	7	3	121	413	1,580	3,132
Louisiana:								
General.....	5,581	1,200	26	24	286	619	2,670	756
Blind.....	789	65	9	1	15	72	284	343
Maine:								
General.....	1,683	261	14	1	45	320	577	465
Blind.....	130	15	2	0	9	35	52	17
Maryland.....	5,108	837	62	25	354	500	2,495	835
Massachusetts.....	4,202	561	45	4	166	679	1,398	1,349
Michigan:								
General.....	21,768	4,383	432	60	469	2,857	9,247	4,320
Blind.....	920	171	48	6	105	131	366	93
Minnesota:								
General.....	5,293	595	55	3	245	756	2,467	1,172
Blind.....	718	125	0	1	37	183	270	102
Mississippi:								
General.....	6,299	941	75	7	292	1,954	1,384	1,646
Blind.....	737	81	19	2	43	92	401	99
Missouri:								
General.....	5,722	1,012	27	3	107	874	2,365	1,334
Blind.....	747	125	32	4	26	90	365	105
Montana:								
General.....	2,204	343	12	5	33	551	791	469
Blind.....	203	10	1	2	26	51	44	69
Nebraska:								
General.....	1,830	408	17	5	17	257	832	294
Blind.....	354	33	0	0	7	82	103	129
Nevada.....	299	40	0	0	48	42	145	24
New Hampshire:								
General.....	640	86	3	12	49	109	220	161
Blind.....	83	12	0	0	4	14	36	17

See footnotes at end of table.

Table 2A.—Total case load, by agency, fiscal year 1949—Continued

[Corrected to Sept. 1, 1949]

Agency ¹	Total	Number closed during fiscal year 1949					Number on rolls on June 30, 1949	
		From active case roll				From referred status ⁴	Active case roll ⁵	In referred status ⁶
		Employed (rehabilitated)	Unemployed ²	Transferred to other agency	Other reasons ³			
New Jersey:								
General.....	4,836	1,141	49	23	185	603	2,237	598
Blind.....	949	104	54	3	64	306	378	40
New Mexico:								
General.....	1,363	165	12	6	79	487	345	269
Blind.....	141	16	2	1	7	11	61	43
New York:								
General.....	18,857	3,042	339	12	2,367	3,174	7,635	2,288
Blind.....	1,276	206	0	17	74	76	547	356
North Carolina:								
General.....	9,907	2,259	43	3	680	930	4,170	1,822
Blind.....	1,933	279	7	4	12	887	628	116
North Dakota:	1,471	193	6	2	55	175	403	637
Ohio:								
General.....	6,055	1,088	55	20	328	921	2,501	1,142
Blind.....	1,616	200	43	19	103	368	598	285
Oklahoma:	5,921	1,000	18	18	379	500	2,979	1,027
Oregon:								
General.....	4,673	442	23	3	155	958	1,442	1,650
Blind.....	370	44	2	3	28	50	113	130
Pennsylvania:								
General.....	22,194	2,656	63	29	1,770	5,615	6,089	5,972
Blind.....	4,552	167	5	8	30	812	1,068	2,462
Puerto Rico:	4,190	567	26	0	191	533	1,259	1,614
Rhode Island:								
General.....	1,527	200	29	2	45	355	687	209
Blind.....	119	20	0	2	5	3	81	8
South Carolina:								
General.....	7,345	1,742	46	16	125	876	2,835	1,705
Blind.....	526	85	1	4	58	112	173	93
South Dakota:								
General.....	630	90	0	3	5	65	297	170
Blind.....	114	24	0	0	3	20	46	21
Tennessee:								
General.....	8,186	1,461	44	11	319	1,628	2,484	2,239
Blind.....	957	56	16	2	19	149	411	304
Texas:								
General.....	14,374	2,001	50	17	290	1,633	5,759	4,624
Blind.....	2,735	207	13	7	85	540	559	1,324
Utah.....	2,242	361	5	6	56	398	977	439
Vermont:								
General.....	1,009	155	14	0	37	225	362	216
Blind.....	145	14	0	0	6	10	68	47
Virginia:								
General.....	8,373	1,155	25	21	715	1,439	3,023	1,995
Blind.....	328	38	41	4	4	140	57	44
Washington:								
General.....	4,599	633	52	8	144	616	1,602	1,544
Blind.....	256	51	7	3	21	17	113	44
West Virginia:	13,135	1,556	46	4	776	3,647	3,218	3,888
Wisconsin:								
General.....	6,666	1,104	101	5	150	825	3,156	1,325
Blind.....	354	40	2	1	19	93	70	129
Wyoming.....	1,521	154	5	5	18	510	265	564

¹ In States which have 2 agencies, the agency under the State board of vocational education is designated as "general," and the agency under the State commission or other agency for the blind is designated as "blind."

² See footnote 1, table 1A.

³ See footnote 2, table 1A.

⁴ See footnote 4, table 1A.

⁵ See footnote 3, table 1A.

⁶ See footnote 5, table 1A.

Table 3A.—Distribution of referrals, by source of referral, fiscal year 1949

[Corrected to Sept. 1, 1949]

Source of referral	Total		State rehabilitation agencies		Agencies for the blind	
	Number	Percentage distribution	Number	Percentage distribution	Number	Percentage distribution
Total.....	158,166	100.0	147,804	100.0	10,362	100.0
Educational, total.....	16,699	10.6	16,349	11.1	350	3.4
Business college.....	792	.5	789	.5	3	(¹)
Private school.....	822	.5	819	.6	3	(¹)
Public school.....	13,962	8.9	13,819	9.4	143	1.4
School for handicapped.....	1,123	.7	922	.6	201	2.0
Health, total.....	36,778	23.2	35,981	24.4	797	7.7
Crippled Children's Agency.....	4,236	2.7	4,226	2.9	10	.1
State mental hospital.....	1,252	.8	1,248	.8	4	(¹)
Tuberculosis sanatorium or association.....	7,999	5.1	7,994	5.4	5	(¹)
Marine Hospital or Relief Station.....	388	.2	384	.3	4	(¹)
Other hospital or clinic.....	6,401	4.0	6,172	4.2	229	2.2
Other health agency.....	6,456	4.1	6,324	4.3	132	1.3
Physician.....	10,046	6.3	9,633	6.5	413	4.1
Insurance, total.....	10,878	6.9	10,817	7.3	61	.6
Insurance company.....	328	.2	325	.2	3	(¹)
Bureau of Old-Age and Survivors Insurance.....	48	(¹)	45	(¹)	3	(¹)
State Workmen's Compensation Agency.....	9,608	6.1	9,556	6.5	52	.6
U. S. Employees Compensation Commission.....	894	.6	891	.6	3	(¹)
Welfare, total.....	29,668	18.8	24,541	16.6	5,127	49.5
American Red Cross.....	1,165	.7	1,130	.8	35	.3
Public welfare agency.....	25,300	16.1	20,613	14.0	4,687	45.2
Private welfare agency.....	2,977	1.9	2,578	1.7	399	3.9
Community advisory center.....	226	.1	220	.1	6	.1
Other Government agencies, total.....	27,143	17.2	25,482	17.2	1,661	16.0
Selective Service System.....	819	.5	808	.5	11	.1
State vocational rehabilitation agency.....	3,551	2.2	2,450	1.7	1,101	10.7
State Employment Service.....	16,931	10.8	16,688	11.2	243	2.3
Veterans Administration.....	1,883	1.2	1,790	1.2	93	.9
Maritime Commission.....	70	(¹)	70	(¹)	0	0
Public official.....	1,761	1.1	1,728	1.2	33	.3
U. S. Civil Service Commission.....	91	.1	91	.1	0	0
Other Government agency.....	2,037	1.3	1,857	1.3	180	1.7
Miscellaneous, total.....	37,000	23.3	34,634	23.4	2,366	22.8
Artificial appliance company.....	3,614	2.3	3,608	2.4	6	.1
Employer.....	1,109	.7	1,063	.7	46	.4
Labor union.....	931	.6	928	.6	3	(¹)
News item, publicity, radio.....	2,864	1.8	2,825	1.9	39	.4
Other individual.....	14,094	8.8	13,280	9.1	814	7.9
Self-referred.....	13,594	8.6	12,283	8.3	1,311	12.6
Other.....	794	.5	647	.4	147	1.4

¹ Less than 0.05 percent.

Table 4A.—Total expended from Federal and State funds for vocational rehabilitation by State boards of vocational education, fiscal year 1949 ¹

State or Territory	Federal and State funds			Classification of expenditures		
	Total	Federal	State	Adminis- tration	Vocational guidance and place- ment	Purchases services
United States total	\$23, 285, 155	\$16, 238, 953	\$7, 046, 202	\$1, 406, 787	\$7, 737, 981	\$14, 140, 387
Alabama.....	592, 550	382, 998	209, 552	31, 632	141, 814	419, 104
Arizona.....	84, 920	59, 923	24, 997	4, 631	30, 295	49, 994
Arkansas.....	318, 761	233, 655	85, 106	19, 618	128, 931	170, 212
California.....	2, 117, 590	1, 497, 784	619, 806	86, 117	789, 804	1, 241, 469
Colorado.....	136, 361	106, 008	30, 353	9, 002	66, 653	60, 706
Connecticut.....	489, 028	358, 219	130, 809	48, 852	178, 221	261, 956
Delaware.....	168, 042	115, 427	52, 615	9, 990	52, 822	105, 230
Florida.....	596, 625	402, 024	194, 601	26, 938	180, 486	389, 201
Georgia.....	1, 262, 379	861, 056	401, 313	55, 890	403, 864	802, 625
Idaho.....	41, 496	29, 981	11, 515	2, 077	16, 383	23, 031
Illinois.....	1, 786, 577	1, 169, 107	617, 470	123, 220	428, 418	1, 234, 939
Indiana.....	516, 676	336, 907	179, 769	31, 467	125, 671	359, 538
Iowa.....	251, 143	186, 849	64, 294	25, 974	96, 581	128, 588
Kansas.....	188, 296	135, 697	52, 599	14, 550	68, 315	105, 431
Kentucky.....	253, 116	177, 331	75, 785	21, 703	79, 730	151, 683
Louisiana.....	506, 811	360, 794	146, 017	25, 999	189, 177	292, 035
Maine.....	124, 700	87, 105	37, 595	9, 668	39, 852	75, 190
Maryland.....	356, 710	258, 519	98, 191	20, 871	139, 458	196, 381
Massachusetts.....	284, 193	218, 819	65, 374	20, 345	133, 100	130, 748
Michigan.....	1, 404, 259	969, 684	434, 575	107, 552	427, 557	869, 150
Minnesota.....	243, 950	171, 685	72, 265	15, 860	83, 421	144, 669
Mississippi.....	397, 202	284, 116	113, 086	22, 361	148, 669	226, 172
Missouri.....	488, 869	346, 601	142, 268	19, 525	184, 808	284, 536
Montana.....	148, 799	109, 567	39, 232	9, 922	60, 412	78, 465
Nebraska.....	166, 006	116, 976	49, 030	13, 750	54, 197	98, 059
Nevada.....	26, 018	18, 934	7, 084	1, 171	10, 680	14, 167
New Hampshire.....	48, 386	33, 823	14, 563	4, 917	14, 543	29, 126
New Jersey.....	411, 054	301, 974	109, 080	33, 071	159, 823	218, 160
New Mexico.....	94, 011	62, 470	31, 541	7, 195	23, 253	63, 563
New York.....	1, 199, 027	896, 050	302, 977	100, 991	489, 493	608, 543
North Carolina.....	819, 938	510, 213	309, 725	33, 071	167, 416	619, 451
North Dakota.....	113, 976	74, 358	39, 618	9, 635	25, 105	79, 236
Ohio.....	507, 062	345, 926	161, 136	40, 908	143, 882	322, 272
Oklahoma.....	542, 549	393, 612	148, 937	20, 502	224, 173	297, 874
Oregon.....	256, 157	177, 028	79, 129	18, 195	79, 704	158, 258
Pennsylvania.....	1, 063, 753	776, 253	287, 500	60, 736	426, 474	576, 543
Rhode Island.....	103, 985	73, 022	30, 963	6, 690	35, 363	61, 932
South Carolina.....	605, 400	401, 873	204, 027	32, 845	164, 500	408, 055
South Dakota.....	57, 172	37, 214	19, 958	3, 885	13, 370	39, 917
Tennessee.....	576, 768	399, 176	177, 592	33, 353	188, 231	355, 184
Texas.....	965, 996	655, 482	310, 514	41, 685	303, 284	621, 027
Utah.....	206, 257	140, 472	65, 785	11, 452	63, 235	131, 570
Vermont.....	109, 414	69, 797	39, 617	5, 433	24, 747	79, 234
Virginia.....	552, 006	359, 378	192, 628	23, 296	143, 453	385, 257
Washington.....	433, 077	307, 198	125, 879	21, 496	159, 824	251, 757
West Virginia.....	498, 360	352, 447	145, 913	28, 959	177, 576	291, 825
Wisconsin.....	540, 740	392, 482	148, 258	35, 162	207, 972	297, 606
Wyoming.....	75, 561	56, 300	19, 261	3, 348	33, 691	38, 522
Alaska.....						
District of Columbia.....	202, 346	177, 346	25, 000	22, 803	90, 349	89, 194
Hawaii.....	95, 452	73, 913	21, 539	7, 173	45, 201	43, 078
Puerto Rico.....	255, 831	175, 871	79, 960	21, 712	74, 199	159, 920

¹ Based on reports from States, subject to audit.

Table 5A.—Total expended from Federal and State funds for vocational rehabilitation of the blind by State commissions or agencies for the blind, fiscal year 1949 ¹

State or territory	Federal and State funds			Classification of expenditures		
	Total	Federal	State	Adminis- tration	Vocational guidance and place- ment	Purchased services
United States total.....	\$2,533,684	\$1,976,730	\$556,954	\$207,166	\$1,212,510	\$1,114,008
Colorado.....	26,736	20,919	5,817	1,458	13,643	11,635
Connecticut.....	26,438	22,211	4,227	1,705	16,280	8,453
Delaware.....	29,329	22,608	6,721	1,843	14,733	13,443
Florida.....	185,073	143,523	41,550	14,814	87,159	83,100
Idaho.....	15,734	13,005	2,729	1,024	9,251	5,459
Indiana.....	67,947	48,842	18,605	4,804	25,533	37,010
Iowa.....	18,945	14,410	4,535	885	8,990	9,070
Kansas.....	32,697	26,312	6,385	1,769	18,158	12,770
Louisiana.....	71,336	61,109	10,227	6,761	44,120	20,455
Maine.....	20,923	16,221	4,702	891	10,628	9,404
Michigan.....	150,684	123,770	26,914	22,008	74,847	53,829
Minnesota.....	57,835	47,128	10,707	5,348	31,074	21,413
Mississippi.....	97,074	78,228	19,446	7,019	51,763	38,892
Missouri.....	105,011	84,088	20,923	7,289	55,877	41,845
Montana.....	24,315	17,385	6,930	1,534	8,921	13,860
Nebraska.....	40,737	30,525	10,212	1,070	19,244	20,423
New Hampshire.....	12,970	11,462	1,508	832	9,122	3,016
New Jersey.....	93,761	75,732	18,029	5,748	51,955	36,058
New Mexico.....	11,436	8,776	2,660	972	5,145	5,319
New York.....	246,900	183,727	63,173	16,630	103,923	126,347
North Carolina.....	211,532	157,037	54,495	21,698	80,843	108,991
Ohio.....	199,147	155,402	43,745	12,443	99,214	87,490
Oregon.....	26,948	20,668	6,280	3,183	11,205	12,560
Pennsylvania.....	290,974	220,566	70,408	22,303	127,855	140,816
Rhode Island.....	24,331	20,599	3,732	1,688	14,679	8,404
South Carolina.....	34,869	27,715	7,154	1,281	19,280	14,308
South Dakota.....	16,643	13,064	3,579	1,326	8,158	7,159
Tennessee.....	87,755	70,592	17,163	8,046	45,282	34,427
Texas.....	151,933	124,028	27,905	17,964	78,160	55,809
Vermont.....	25,183	17,254	7,929	2,370	6,955	15,858
Virginia.....	28,409	19,527	8,882	2,139	8,506	17,764
Washington.....	25,509	18,865	6,644	1,271	10,951	13,287
Wisconsin.....	41,682	38,308	3,374	4,774	30,162	6,746
Hawaii.....	32,388	23,124	9,264	2,276	11,584	18,528

¹ Based on reports from States, subject to audit.

Technical Appendix

(Processes used to derive estimates in "The Program as a Profitable Investment")

The economic value of the vocational rehabilitation program, shown in the section entitled "The Program as a Profitable Investment," was estimated from statistical and financial data available in the Office of Vocational Rehabilitation. This information was used in conjunction with the procedure for calculating Federal income taxes as prescribed on Form 1040—"U. S. Individual Income Tax Return," United States Treasury Department, Internal Revenue Service. The origin of the data, the assumptions made, and procedures for the calculations are described below.

ORIGIN OF THE DATA

Basic data for estimating the economic value of the program were derived from "Closed Case Reports" of persons rehabilitated by the State agencies and from financial reports of expenditures for services. The age, marital status, and number of dependents of the rehabilitants were recorded at the time services were started, and were later reported on the Closed Case Reports. The weekly wages reported indicate the weekly earnings of the rehabilitant on his first job after rehabilitation was completed.

Tabulations from the Closed Case Reports form the basis for computing estimates of the annual rate of earnings of the rehabilitants and their Federal income tax liability. All Closed Case Reports for the fiscal years 1944, 1947, and 1948 were tabulated, but statistical samples were selected from the reports for tabulating data for the fiscal years 1945 and 1946. Expenditures by the State agencies during each fiscal year, used in deriving the estimate of "10 to 1," were obtained from annual financial reports from all agencies.

The tabulations of the data used in deriving the estimates for the cumulative earnings and tax liability, 1944-47, present the weekly wage on the first rehabilitation job grouped in \$10 intervals, cross-

classified by number of dependents of the rehabilitant at the time rehabilitation services were started. The 1948 tabulations give the weekly rehabilitation wage, cross-classified by number of dependents, age and marital status.

ASSUMPTIONS

It was assumed (1) that the group rehabilitated in 1 year would work for at least 50 weeks after rehabilitation at the rehabilitation weekly wage rate; (2) that the average rehabilitant will earn wages during 85 percent of his work-life expectancy; (3) that rehabilitants who had no Federal income tax liability in any one of the years 1944-48 had none in subsequent years. The tax liability of farmers and family workers was not estimated, as their wages were not recorded.

As the Closed Case Reports for 1944-48 indicate that the average rehabilitant is from 31 to 32 years old when rehabilitation is completed, it was assumed that if he works 85 percent of the time until the age of 65, his work life will be 28-29 years.

Data on the number of persons rehabilitated more than once during the 5-year period 1937-42 (about 5 percent) were projected over the 5-year period 1944-48, and the total tax liability adjusted downward accordingly.

PROCEDURE FOR COMPUTATIONS

As explained above, the estimated annual earnings of persons rehabilitated in the years 1944 through 1947 were computed from weekly wages which were grouped in \$10 intervals. The midpoint of each interval was multiplied by 50 weeks to obtain the annual wage rate for the first year after rehabilitation. The estimated annual earnings for rehabilitants in 1948 were computed from ungrouped data.

From the assumption that persons rehabilitated each year would work 85 percent of the 5-year period, 1944-48, inclusive, it was assumed also that persons rehabilitated during each year in the 5-year period would pay 85 percent of the estimated income tax for all years following the one in which they were rehabilitated. The tax liability for years subsequent to the year in which a person was rehabilitated was estimated from the average tax liability of the group rehabilitated in each of the later years. No allowance was made for the exemption of persons 65 or over in estimating the 1948 tax liability of persons rehabilitated in 1944, 1945, 1946, and 1947, and no exemption was made for the blind in any year.

The statement that the average rehabilitant will return an estimated \$10 to the Government in Federal income taxes for every Federal dollar invested in his rehabilitation was based on a projection of:

(1) The estimates described above, except that it was assumed that the Federal income tax liability for the year in which the individual was rehabilitated will remain at the same level for each year during his work life. This assumption was necessary because it is impossible to estimate average income tax rates in advance of the official announcement of changes in the rates. By using the described procedure on data from the 1947 reports, it was estimated that the Federal income tax liability of the 1947 rehabilitants would amount to 11.4 times the amount of Federal funds spent on their rehabilitation. On this premise, the "10 to 1" statement was used as a conservative estimate.

(2) On a projection of estimated earnings, Federal income tax liability, and Federal expenditures as of 1947, over a period from 1947-60, assuming an increase in the number of rehabilitations in line with the Administrator's 10-year program entitled "The Nation's Health." Since all relevant factors were held constant, the number of rehabilitants has no effect on the "10 to 1" ratio.



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